

## HP3000 Migration Project

### Office of the Insurance Commissioner (OIC)

Prepared by David Koch DIS, (360) 902-3468, davidk@dis.wa.gov

#### Project Status

OIC has completed much of the business requirements analysis for this project. This analysis will shorten the amount of time the selected vendor will need to spend with OIC understanding existing business processes, determining which processes can be abandoned in the new system, which can be consolidated, and which can be improved.

Board members received a copy of the OIC RFP for the HP3000 project on June 1, 2005 and were asked to submit comments to ISB staff by the close of business June 7. The RFP was released on June 8. OIC will present the results of the RFP process to the Board at the September 8, 2005 meeting. The Board must approve OIC's amended IT Investment Plan prior to OIC signing a contract with the apparently successful vendor.

#### Variances

- Schedule: The current schedule is for the project to be completed by June 30, 2007. A more detailed schedule is expected when vendor responses to the RFP are received and evaluated.
- Budget/Costs: The project is currently within the budget. A more detailed budget will be developed when vendor responses to the RFP are received and evaluated.
- Scope: An amended IT Investment Plan has been submitted for ISB approval. The strategy has changed from a COTS buy, modify, and integrate to a phased build and integrate approach. Approval of the strategy change will be requested at the September 8, 2005 ISB meeting.

#### Issues

1. The strategy change from a COTS buy, modify, and integrate strategy to a build and integrate strategy increases the risk to the project being completed on time and on budget.
2. Current funding is less than \$3.5 million. Gartner Inc. did the feasibility study for OIC. Gartner estimated the COTS solution cost at \$2-\$4 million. They estimated the custom development solution at \$3-\$7 million with the caveat that it could go higher. OIC has allotted \$2 million for the discovery and development phases of the project.
3. The project was originally scheduled for completion by July 1, 2006, but has been extended to June 30, 2007. This extension was to allow for a more complete business requirements determination.

#### Previous Agency Appearances Before the Board

May 12, 2005: OIC made the initial presentation for the approval of their change in strategy and for approval of their amended IT Investment Plan. The Board approved the release of the RFP, but directed that OIC return to the September 8, 2005 ISB meeting to present the cost and schedule from the apparently successful vendor. Also at the September 8, 2005 ISB meeting the Board will decide whether to approve the amended IT Investment Plan or if there are additional requirements that OIC must meet prior to approval.